

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
INCOME TAX REFERENCE NO.663 OF 1998

The Commissioner of Income-tax ..Applicant.

V/s.

M/s.Bhukhanwalla Diamond Tools ..Respondent.

Mr.A.S.Rao for applicant.

CORAM : V.C. DAGA AND
J.P.DEVADHAR, JJ.

DATED : 4TH APRIL, 2005.

P.C. :-

1. Heard the learned counsel for the applicant.
The Tribunal has referred the question for the opinion of
this Court reading as under :-

"Whether, on the facts and in the circumstances of
the case, the Tribunal was justified in holding that
in the case of employee-directors provisions of sec.
40(c) and not those of sec. 40A(5) are applicable ?"

2. The above question has already been answered by
the Division Bench of this Court in the case of **C.I.T.**
V/s. Hico Products Pvt.Ltd. (No.1) [(1993) 201 I.T.R.
567 (Bom.) in favour of the assessee and against the
revenue. In this view of the matter, question stands
answered in affirmative for the reasons stated in the case
of **Hico Products (P) Ltd.** Reference, accordingly stands
disposed of with no order as to costs.

(V.C. DAGA, J.)

(J.P.DEVADHAR, J.)

